

COST SHARING

All South Dakota Medicaid recipients are required to participate in cost sharing unless the recipient or services is exempt. Cost sharing is an out-of-pocket cost paid by the recipient, often referred to as a co-pay or co-payment. Some Medicaid recipients and services are exempt from cost sharing.

RECIPIENTS EXEMPT FROM COST SHARING

The following South Dakota Medicaid recipients are exempt from cost sharing and do not have to pay a co-pay to receive services:

- Individuals under age 21;
- Individuals receiving hospice care;
- Individuals residing in a long-term care facility or receiving home and community-based services;
- American Indians who have ever received an item or service furnished by an Indian Health Services (IHS) provider or through referral under contract health services; and
- Individuals eligible through the Breast and Cervical Cancer program.

SERVICES EXEMPT FROM COST SHARING

The following services are exempt from cost sharing and do not require a co-pay from any recipient in order to receive the service:

- Emergency services;
- Family planning services;
- Services relating to a pregnancy, post-partum condition, a condition caused by the pregnancy, or a condition that may complicate the pregnancy;
- Provider-preventable services as defined in [42 CFR 447.26](#);
- Laboratory services;
- Psychiatric inpatient and rehabilitation services;
- Radiological services; and
- Substance use disorder services.

SERVICES REQUIRING COST SHARING

Service	Cost Share Amount
Ambulatory Surgical Centers	5% of allowable reimbursement up to maximum \$50.00
Chiropractic Services	\$1.00 for each procedure

Service	Cost Share Amount
Diabetes Education	\$3.00 per unit
Dental Services	\$3.00 for each procedure
Dentures	\$3.00 for each denture or reline of dentures
Dieticians and Nutritionist Services	\$3.00 per visit
Durable Medical Equipment, Prosthetics, Orthotics, and Supplies	5% of allowable reimbursement
Federally Qualified Health Centers (FQHCs) and Rural Health Clinics (RHCs)	\$3.00 per encounter
Independent Mental Health Practitioners	\$3.00 per procedure
Inpatient Hospital Services	\$50.00 for each admission
Mental Health Clinics	5% of allowable reimbursement
Nutrition Services	\$2.00 per day for enteral therapy \$5.00 per day for parenteral therapy
Optometric and Optical Services	\$2.00 for each procedure \$2.00 for each lens change \$2.00 for each frame \$2.00 for repair services \$2.00 for each exam
Outpatient Hospital Services	5% of allowable reimbursement up to maximum \$50.00
Physician Services	\$3.00 per visit
Podiatry Services	\$2.00 for each procedure
Prescriptions	\$3.30 for each brand name prescription \$1.00 for each generic prescription

DEFINITIONS

1. "Cost sharing," money paid by a recipient to a provider for each covered service or procedure rendered to the recipient or on the recipient's behalf;

REFERENCES

- [Administrative Rule of South Dakota \(ARSD\)](#)
- [South Dakota Medicaid State Plan](#)
- [Code of Federal Regulations](#)

FREQUENTLY ASKED QUESTIONS

1. **How do the Primary Care Provider (PCP) program and Health Home (HH) program affect cost sharing?**

Recipients enrolled in these programs do not pay a cost share when they see their PCP or HH provider. There is also no cost share if they are seeing a PCP or HH provider in the same clinic as their PCP or HH provider. If the recipient is seeing a specialist in the same clinic, they will be required to pay a cost share unless an exemption applies.

2. **Can a provider refuse to provide medical services if a recipient cannot pay their cost share prior to receiving services?**

No, 42 CFR 447.52(e)(2) prohibits providers from denying services to an eligible individual based on an individual's inability to pay the cost sharing. This service guarantee does not apply to an individual who is able to pay, nor does an individual's inability to pay eliminate his or her liability for the cost sharing charge.